

**INDEPENDENT AUDITOR'S REPORT
TO THE PARTNERS OF HCG EKO ONCOLOGY LLP**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **HCG EKO ONCOLOGY LLP** ("entity"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss account, and statement of cash flows) for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at 31 March 2020, and of its financial performance and its cash flows for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India ("ICAI").

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the entity in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may



S G M & Associates LLP

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

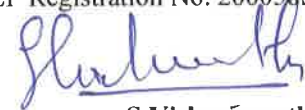
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For S G M & Associates LLP
Chartered Accountants
(LLP Registration No. 200058S)



S Vishwamurthy
Partner
(Membership No.215675)



Bengaluru, 27 July 2020
UDIN: 20215675AAAAAY4744

HCG EKO Oncology LLP
 Balance Sheet as at 31 March 2020
 (Amount in Rupees, unless otherwise specifically mentioned)

Particulars	Note No.	As at	
		31-Mar-2020	31-Mar-2019
Capital and Liabilities			
Partners' capital account	3	1,000,000	1,000,000
Partners' current account	3	242,655,910	140,633,699
Non-current liabilities			
Long-term borrowings	4	297,488,757	191,086,102
Long-term provision	5	813,907	420,226
Current liabilities			
Trade payables	6	44,891,002	11,451,941
Other current liabilities	7	30,740,215	139,096,687
Short-term provision	8	407,789	229,824
Total		617,997,580	483,918,479
Assets			
Non-current assets			
Property, plant and equipments	9	567,683,156	179,286,068
Capital work-in-progress		-	266,231,690
Deferred tax asset		-	597,000
Long-term loans and advances	10	14,755,502	26,145,965
Current assets			
Inventories	11	7,960,720	3,651,887
Trade receivables	12	11,811,813	115,036
Cash and cash equivalents	13	3,554,114	3,393,879
Short-term loans and advance	14	5,233,472	1,234,441
Other current assets	15	6,998,803	3,260,513
Total		617,997,580	483,918,479

See accompanying notes forming part of the financial statements

In terms of our report attached
 For SGM & Associates LLP
 Chartered Accountants

 Vishwanurthy
 Partner

Bengaluru 27 July 2020



For HCG EKO ONCOLOGY LLP


 Anant S. Kittur
 Designated Partner

Bengaluru 27 July 2020


 Nand Singh Hathore
 Designated Partner

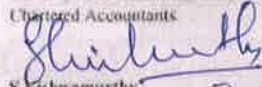


HCG EKO Oncology LLP
Statement of Profit and Loss for the year ended 31 March 2020
(Amount in Rupees, unless otherwise specifically mentioned)

Particulars	Note No.	For the year ended	
		31-Mar-2020	31-Mar-2019
Revenue from operations	16	110,904,408	13,982,508
Other income	17	1,166,610	4,992,329
Total revenue (A)		112,071,018	18,974,837
Expenses			
Purchase of stock-in-trade		35,951,093	6,127,298
Changes in inventory of stock-in-trade		(4,308,833)	(3,651,887)
Employee benefit expenses	18	27,050,670	1,252,456
Finance costs	19	18,591,897	921,063
Depreciation and amortisation expense	9	24,160,463	4,855,770
Other expenses	20	136,943,765	11,301,793
Total expenses (B)		238,389,055	20,906,493
Profit/(Loss) before tax (C) = (A-B)		(126,318,037)	(1,931,656)
Tax expense			
Current tax		-	-
Deferred tax		597,000	(597,000)
Total tax expense / (income) (D)		597,000	(597,000)
Profit/(Loss) for the year transferred to partners' current account (E) = (C-D)		(126,915,037)	(1,334,656)

See accompanying notes forming part of the financial statements

In terms of our report attached
For S G M & Associates LLP
Chartered Accountants


S. Vishwamurthy
Partner

Bengaluru, 27 July 2020



For HCG EKO ONCOLOGY LLP


Anant S. Kittur
Designated Partner

Bengaluru, 27 July 2020


Nand Singh Rathore
Designated Partner




HCG EKO Oncology I.L.P
Cashflow Statement for the year ended 31 March 2020
(Amount in Rupees, unless otherwise specifically mentioned)

Particulars	For the year ended	
	31-Mar-2020	31-Mar-2019
Cash flow from operating activities		
Net loss before taxation	(126,318,037)	(1,931,656)
Adjustments for		
- Depreciation and amortisation expense	24,160,463	4,855,770
- Interest income on bank deposit	(1,166,610)	(1,153,592)
- Interest expense	12,993,226	921,063
- Unrealised foreign exchange (gain)/loss	(5,598,671)	(3,838,737)
Operating profit before working capital changes	(95,929,629)	2,691,585
Adjustment for (increase)/ decrease in operating assets		
- Inventories	(4,308,833)	(3,651,887)
- Trade receivables	(11,696,777)	(115,036)
- Long-term loans and advances	(6,694,539)	723,198
- Short-term loans and advances	(3,999,031)	167,761
- Other current assets	(3,738,290)	(3,260,513)
Adjustment for increase/ (decrease) in operating liabilities		
- Trade payables	33,439,061	9,437,465
- Other current liabilities	6,530,931	4,109,332
- Long-term and short-term provisions	371,646	359,411
Cash generated from operations	(85,825,461)	10,461,216
Taxes paid during the year	-	-
Net cash generated from operating activities (A)	(85,825,461)	10,461,216
Cash flows from investing activities		
- Capital expenditure on fixed assets (including capital advances)	(149,579,936)	(132,583,939)
- Interest income	1,294,742	1,085,972
Net cash flow from investing activities (B)	(148,285,194)	(131,497,967)
Cash flows from financing activities		
- Investment / (drawings) by partners	228,937,248	62,456,675
- Long-term borrowings availed	121,964,182	97,877,511
- Long-term borrowings repaid	(106,921,906)	(28,701,841)
- Interest (net)	125,091,970	(9,181,070)
- Movement in balance with bank in earmarked accounts	15,381,336	242,285
Net cash flows from financing activities (C)	234,268,890	122,693,560
Net increase / (decrease) in cash and cash equivalents (A+B+C)	158,238	1,656,809
Cash and cash equivalents at beginning of the year	3,395,879	1,739,070
Cash and cash equivalents at end of the year	3,554,114	3,395,879

See accompanying notes forming part of the financial statements

In terms of our report attached
For S G M & Associates I.L.P
Chartered Accountants


Sushwamurthy
Partner

Bengaluru, 27 July 2020



For HCG EKO ONCOLOGY I.L.P


Anant S. Kittur
Designated Partner

Bengaluru, 27 July 2020


Nand Singh Rathore
Designated Partner



HCG EKO Oncology LLP

Notes forming part of financial statements

Note
No.

1 Nature of operations:

HCG EKO Oncology LLP ('HCG EKO' or 'LLP') is a Limited Liability Partnership registered under Limited Liability Partnership Act, 2008. HealthCare Global Enterprises Limited ('HCG') and EKO Diagnostic Private Limited ('EKO') are partners in LLP having capital and profit sharing ratio of 50.50 : 49.50. HCG EKO is engaged in managing hospitals and medical diagnostic services including scientific testing and consultancy services in the pharmaceutical and medical sector. The LLP was incorporated on 15 May and has its registered office at # 8, P. Kalinga Rao Road, Sampangi Ram Nagar, Bengaluru – 560 027.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the LLP have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and relevant provisions of the Limited Liability Partnership Act 2008. The accrual method of accounting is followed, except where otherwise stated.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

2.3 Revenue recognition

Income is recognised on accrual basis. Fees are recognised on the basis of net revenue sharing with business facilitators.

Rental income is recognised on accrual basis and as per the term & conditions of the rental agreement.

Interest income on deposits with banks is accounted on accrual basis.

2.4 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Costs directly attributable to the acquisition are capitalized until the asset is ready for use, as intended by the management. Subsequent expenditure relating to Property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

2.5 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible Property, plant and equipment has been provided on the written-down value method at the rates arrived on the basis of useful life of the assets assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, maintenance support, etc., except in case of Property, plant and equipment costing up to Rs. 5,000/- where it is being depreciated 100% in the year of acquisition itself.

2.6 Inventories

Inventories consist of consumables that are carried at lower of cost or net realisable value. Cost is determined on first-in-first-out basis.

2.7 Foreign currency transactions

Initial recognition: Transactions in foreign currencies entered into by the LLP are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date: Foreign currency monetary items (other than derivative contracts), outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the LLP are carried at historical cost.

Treatment of exchange differences: Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the LLP are recognized as income or expense in the Statement of Profit and Loss.

Exchange difference on long-term foreign currency monetary items: The exchange differences arising on settlement / restatement of long-term foreign currency monetary items relating to acquisition of depreciable Property, plant and equipment are capitalised as part of the Property, plant and equipment and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable Property, plant and equipment, the exchange difference is amortised over the maturity period / up to the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss.



HCG EKO Oncology LLP

Notes forming part of financial statements

Note

No.

2.8 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.9 Employee benefits

- (i) Short Term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the period in which the related service is rendered. Privilege leaves are short term employee benefits and are charged to the statement of income and expenditure at the amount based on the management's decision.
- (ii) Post employment benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered service. The expense is recognised at the present value of the amount payable towards contribution. The present value is determined using the market yields of government bonds, at the balance sheet date, as the discounting rate.
- (iii) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

2.10 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Alternate Minimum Tax (AMT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the LLP will pay normal income tax. Accordingly, AMT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the LLP.

'Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the LLP has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

2.11 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized in the Statement of Profit and Loss.

2.12 Provisions and contingencies

A provision is recognized when the LLP has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements.

2.13 Operating cycle

Based on the nature of products / activities of the LLP and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



HCG EKO Oncology LLP
Notes forming part of financial statements
(Amount in Rupees, unless otherwise specifically mentioned)

Note No.

3 Partners' Capital Account

Particulars	As at					
	31-Mar-2020			31-Mar-2019		
	HCG	EKO	Total	HCG	EKO	Total
Fixed capital						
Opening balance	505,000	495,000	1,000,000	505,000	495,000	1,000,000
Received / (paid) during the year	-	-	-	-	-	-
Closing balance	505,000	495,000	1,000,000	505,000	495,000	1,000,000

Partners' Current Account:

Particulars	As at					
	31-Mar-2020			31-Mar-2019		
	HCG	EKO	Total	HCG	EKO	Total
Opening balance	99,355,813	41,277,886	140,633,699	42,573,139	36,938,541	79,511,680
Add: Share of loss for the year	(64,092,094)	(62,822,943)	(126,915,037)	(674,001)	(660,655)	(1,334,656)
Add: Invested during the year	143,671,246.50	85,266,001	228,937,248	57,456,675	5,000,000	62,456,675
Closing balance	178,934,966	63,720,944	242,655,910	99,355,813	41,277,886	140,633,699

4 Long-term borrowings

Particulars	31-Mar-2020	31-Mar-2019
Secured		
Long-term loan from bank (Refer note (i))	297,488,757	175,524,575
Unsecured		
Deferred payment obligations (Refer note (ii))	-	15,561,527
Total	297,488,757	191,086,102

(i) Terms of repayment and security

Particulars	31-Mar-2020	31-Mar-2019
Secured long-term from banks		
Non-current portion	297,488,757	175,524,575
Amounts included under current maturities of long-term debt	-	-
Security: Exclusive charge on (i) all assets (equipment) purchased / funded through the above loan; (ii) all movable fixed assets and current assets (both present and future) of the LLP, including any refundable lease/rental deposit placed with lessor, excluding any assets which are charged exclusively to any lessor/vendor. Unconditional and irrevocable corporate guarantee and debt shortfall undertaking from the Partners in the LLP.		
Repayment terms and interest: Repayment in quarterly structured installments with a moratorium of 3 years. Rate of interest is 1.25% spread over and above the bank's half yearly MCLR.		
Unsecured loan		
Non-current portion	-	15,561,527
Amounts included under current maturities of long-term debt	-	-
Repayment terms and interest: Repayment in installments after a period of 3 years from the transaction date. Rate of interest / commission is 0.75% p.a.		

5 Long-term provision

Particulars	31-Mar-2020	31-Mar-2019
Provision for employee benefits:		
Gratuity	467,386	268,959
Compensated absence	346,521	151,267
Total	813,907	420,226

6 Trade payables

Particulars	31-Mar-2020	31-Mar-2019
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	44,891,002	11,451,941
Total	44,891,002	11,451,941

(i) Note: There are no dues to Micro and Small Enterprises. The information disclosed with regard to Micro and Small Enterprises is based on information collected by the Management. This has been relied upon by the auditors.



HCG EKO Oncology LLP
Notes forming part of financial statements
(Amount in Rupees, unless otherwise specifically mentioned)

Note No.

7 Other current liabilities

Particulars	31-Mar-2020	31-Mar-2019
Advance received from patients	2,866,625	1,580,969
Current maturities on long-term debt deferred payment obligations	17,656,489	114,515,539
Other payables		
Statutory remittances	5,693,890	448,615
Payable on purchase of fixed assets	4,523,211	22,451,564
Total	30,740,215	139,096,687

8 Short-term provision

Particulars	31-Mar-2020	31-Mar-2019
Provision for employee benefits:		
26 Gratuity	173,554	133,636
Compensated absence	234,235	96,188
Total	407,789	229,824



HCG EKO Oncology LLP

Notes forming part of financial statements

Note (Amount in Rupees, unless otherwise specifically mentioned)
No.

9 Property, plant and equipments

Particulars	Gross Carrying Value			Depreciation/Amortisation				Net Carrying Value		
	Balance as at	Additions	Disposals	Balance as at	Balance as at	Depreciation expense for the year	Adjustments	Balance as at	Balance as at	
	1-Apr-2019			31-Mar-2020	1-Apr-2019			31-Mar-2020	31-Mar-2020	31-Mar-2019
Leasehold improvements	11,250,000	218,425,663	-	229,675,663	310,274	6,220,787	-	6,531,061	223,144,602	10,939,726
	-	-	-	11,250,000	-	310,274	-	310,274	10,939,726	-
Plant & equipments	172,845,818	154,022,110	-	326,867,928	4,543,592	14,916,391	-	19,459,983	307,407,945	168,302,226
	-	-	-	172,845,818	-	4,543,592	-	4,543,592	168,302,226	-
Furniture & fixtures	46,020	22,045,038	-	22,091,058	1,904	894,121	-	896,025	21,195,033	44,116
	-	-	-	46,020	-	1,904	-	1,904	44,116	-
Office Equipments	-	4,798,440	-	4,798,440	-	638,349	-	638,349	4,160,091	-
	-	-	-	-	-	-	-	-	-	-
Computer	-	5,345,532	-	5,345,532	-	495,309	-	495,309	4,850,223	-
	-	-	-	-	-	-	-	-	-	-
Software & Etc	-	7,920,768	-	7,920,768	-	995,506	-	995,506	6,925,262	-
	-	-	-	-	-	-	-	-	-	-
Total	184,141,838	412,557,551	-	596,699,389	4,855,770	24,160,463	-	29,016,233	567,683,156	179,286,068
<i>Previous Year</i>	-	-	-	184,141,838	-	4,855,770	-	4,855,770	179,286,068	-



HCG EKO Oncology LLP
Notes forming part of financial statements
(Amount in Rupees, unless otherwise specifically mentioned)

Note
No.

10 Long-term loans and advances

Particulars	31-Mar-2020	31-Mar-2019
Capital advance	1,911,500	4,487,034
Security deposit	9,788,165	455,844
Prepaid expense	1,842,167	4,479,949
Term deposit with banks and financial institutions	1,213,670	16,595,006
Interest accrued on long-term deposit	-	128,132
Total	14,755,502	26,145,965

11 Inventories

Particulars	31-Mar-2020	31-Mar-2019
Inventories (lower of cost and net realisable value)		
Medicines	6,833,027	3,294,162
Other consumables	1,127,693	357,725
Total	7,960,720	3,651,887

12 Trade receivables

Particulars	31-Mar-2020	31-Mar-2019
Other trade receivables		
- Unsecured, considered good	11,811,813	115,036
- Doubtful	7,100,000	-
	18,911,813	115,036
Less: Provision for doubtful trade receivables	(7,100,000)	-
Total	11,811,813	115,036

13 Cash and cash equivalents

Particulars	31-Mar-2020	31-Mar-2019
Cash-on-hand	427,004	96,197
Balances with banks		
In current accounts	3,127,110	3,299,682
Total	3,554,114	3,395,879

14 Short-term loans and advances

Particulars	31-Mar-2020	31-Mar-2019
Prepaid expenses	2,757,629	1,220,822
Security Deposits	723,844	-
Advance to vendor	958,955	-
Loans and advances to employees	793,044	13,619
Total	5,233,472	1,234,441

15 Other current assets

Particulars	31-Mar-2020	31-Mar-2019
Unbilled revenue	5,881,548	1,740,006
Income tax and tax deducted at source	561,172	-
Interest accrued on fixed deposit	15,852	-
Term deposit with banks and financial institutions	540,231	1,520,507
Total	6,998,803	3,260,513



HCG EKO Oncology LLP
Notes forming part of financial statements
(Amount in Rupees, unless otherwise specifically mentioned)

Note
No.

16 Revenue from operations			
Particulars	31-Mar-2020	31-Mar-2019	
Pharmacy sales	2,051,990	1,844,103	
Medical service income	108,852,418	12,138,405	
Total	110,904,408	13,982,508	
17 Other income			
Particulars	31-Mar-2020	31-Mar-2019	
Interest income from : Deposits with bank	1,166,610	1,153,592	
Net gain on foreign currency transactions and translation	-	3,838,737	
Total	1,166,610	4,992,329	
18 Employee benefit expenses			
Particulars	31-Mar-2020	31-Mar-2019	
Salaries and wages	24,148,087	1,145,205	
Contributions to provident and other funds	2,519,158	73,699	
Staff welfare expenses	383,425	133,552	
Total	27,050,670	1,352,456	
19 Finance costs			
Particulars	31-Mar-2020	31-Mar-2019	
Interest on term loan	10,246,450	779,964	
Interest on deferred payment obligation	957,120	-	
Bank charges and other borrowing cost	1,789,656	141,099	
Net loss on foreign currency transactions and translation	5,598,671	-	
Total	18,591,897	921,063	
20 Other expenses			
Particulars	31-Mar-2020	31-Mar-2019	
Medical consultancy charges	22,717,718	2,012,500	
Legal and professional fees	22,077,014	877,055	
Lab charges	20,387,881	835,218	
Power, fuel and water	9,238,078	730,148	
Rent including lease rentals	19,161,732	667,644	
Repairs and maintenance:			
- Buildings	135,862	58,686	
- Machinery	5,373,483	132,101	
- Others	1,810,646	25,960	
Insurance	223,940	-	
Rates and taxes	51,941	1,091	
Communication	767,315	82,182	
Travelling and conveyance	5,078,567	1,739,154	
Printing and stationery	1,922,464	429,743	
House keeping and security	6,743,690	474,487	
Business promotion expenses	19,798,071	2,979,959	
Payment to auditors	-	-	
- For statutory audit	628,344	118,000	
- For other services	-	59,000	
Miscellaneous expenses	827,019	78,865	
Total	136,943,765	11,301,793	



HCG EKO Oncology LLP
Notes forming part of financial statements
(Amount in Rupees, unless otherwise specifically mentioned)

Note

- 21** Contingent liabilities and commitments (to the extent not provided for): 31 March 2020 Rs. and 31 March 2019 Rs. 29,996,963. There were no contingent liabilities during the current year and in the previous year.

22 Related party disclosure

Name of the related party and nature of relationship

Name of the related party	Nature
HealthCare Global Enterprises Limited (HCG)	Majority partner
EKO Diagnostic Private Limited (EKO)	Partner

Transaction during the year period with related parties

Particulars	HCG	EKO
Capital infusion	143,671,247	85,266,001
	<i>57,456,675</i>	<i>5,000,000</i>

Closing Balance as on 31 March 2018

Particulars	HCG	EKO
Fixed Contribution	505,000	495,000
	<i>505,000</i>	<i>495,000</i>
Current Contribution (net of share of losses)	178,934,966	63,720,944
	<i>99,355,813</i>	<i>41,277,886</i>

Note: Previous year numbers are in italics

23 Unhedged foreign currency exposure:

Currency	31-Mar-2020	31-Mar-2019
Deferred payment obligations (INR)	17,656,489	130,177,066
Deferred payment obligations (USD)	234,202	1,881,952

- 24** The LLP's operations comprises of only one segment viz., is engaged in managing hospitals and medical diagnostic services including scientific testing and consultancy services in the pharmaceutical and medical sector. The LLP's operations are in India and therefore there are no secondary geographical segments

25 Expenditure debited to Statement of Profit and Loss account is net of following expense capitalised:

Particulars	31-Mar-2020	31-Mar-2019
Employee benefit expenses	45,170,421	17,825,380
Finance costs	12,370,609	12,935,272
Other expenses	16,733,093	27,517,605
Total	74,274,123	58,278,257

26 Employee benefits

Defined contribution plan

The Company makes Provident Fund contributions (PF) and Employee State Insurance Scheme (ESI), which are a defined contribution plan, for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. Contribution to defined plan recognised in the Statement of Profit and Loss:

Particulars	31-Mar-2020	31-Mar-2019
Provident Fund contributions	1,950,635	867,663
Employee State Insurance Scheme	204,291	155,174



HCG EKO Oncology LLP
Notes forming part of financial statements
(Amount in Rupees, unless otherwise specifically mentioned)

Note
No.

Defined benefit plan

The Company has a defined Gratuity benefit plan. The following table summarizes the components of net employee benefit expenses recognised in the Statement of Profit and Loss and amounts recognised in the Balance Sheet for the plan.

Particulars	31-Mar-2020	31-Mar-2019
Components of employer expense		
Current service cost	145,738	86,045
Past service cost	-	-
Interest cost	40,407	25,911
Expected return on plan assets	-	-
Actuarial losses / (gain)	52,200	290,639
Total expense recognized in Statement of Profit and Loss	238,345	402,595
Actual contributions and benefits payments		
Actual benefit payments	-	-
Actual contributions	-	-
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	640,940	402,595
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	640,940	402,595
Unrecognised actuarial (gains) / losses	-	-
Net asset / (liability) recognised in the Balance Sheet	640,940	402,595
Current	173,554	133,636
Non-current	467,386	268,959
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	402,595	-
Current service cost	145,738	86,045
Interest cost	40,407	25,911
Acquisitions	-	-
Actuarial (gains) / losses	52,200	290,639
Past service cost	-	-
Benefits paid	-	-
Present value of DBO at the end of the year	640,940	402,595
Change in fair value of assets during the year		
Plan assets at beginning of the year	-	-
Expected return on plan assets	-	-
Actual company contributions	-	-
Actuarial gain / (loss) on Plan Assets	-	-
Plan assets at the end of the year	-	-
Experience adjustment	640,940	402,595
Defined benefit obligation	-	-
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	640,940	402,595
Experience gain / (loss) adjustments on plan liabilities	52,200	290,639
Experience gain / (loss) adjustments on plan assets	-	-
Principal assumptions for Gratuity and Compensated absence		
Discount rate	6.00%	7.00%
Expected rate of return on plan assets	-	-
Salary escalation	5.00%	5.00%
Attrition rate	36%	36%
Retirement Age	60 Years	60 Years
Mortality Table	IALM 06-08	IALM 06-08

27 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

